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Development economics and policy are due for a redesign. In the past few decades, research from across the natural and social sciences has provided stunning insight into the way people think and make decisions. Whereas the first generation of development policy was based on the assumption that humans make decisions deliberatively and independently, and on the basis of consistent and self-interested preferences, recent research shows that decision making rarely proceeds this way. People *think automatically*: when deciding, they usually draw on what comes to mind effortlessly. People also *think socially*: social norms guide much of behavior, and many people prefer to cooperate as long as others are doing their share. And people *think with mental models*: what they perceive and how they interpret it depend on concepts and worldviews drawn from their societies and from shared histories.

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ISBN 978-1-4648-0342-0



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SKU 210342